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Department of Energy Offers $2 Billion in Conditional Loan Guarantee Commitments for Two California Concentrating Solar Power Plants

Projects Will Create Nearly 1,800 Jobs, Expand CSP Deployment, and Drive Down Cost of Solar Installations

Washington D.C. --- U.S. Energy Secretary Steven Chu today announced the offer of conditional commitments to provide loan guarantees to support two concentrating solar power (CSP) projects – the Mojave Solar Project (MSP) in San Bernardino County, California, and the Genesis Solar Project, located on land managed by the Bureau of Land Management in Riverside County, California. The Department is offering a conditional commitment for a $1.2 billion loan guarantee to support the Mojave Solar Project and a conditional commitment for up to a $681.6 million loan guarantee to support the Genesis Solar Project. At 250 megawatts (MW) each, the projects' combined capacity will double the nation's currently installed CSP capacity and displace a total of 40 percent of the output from a typical 500MW coal-fired plant. Abengoa Solar Inc., the Mojave Solar project sponsor, estimates that project will create more than 830 construction jobs and 70 operating jobs. NextEra Energy Resources, LLC, the Genesis Solar project sponsor, estimates that project will create approximately 800 construction jobs and 47 operating jobs.

"These projects represent an important step in the development of solar as an affordable, clean energy resource in this country," said Secretary Chu. "By investing in the commercial-scale deployment of solar technologies, we can create greater efficiencies that will lower the cost of solar power while creating jobs and increasing our global competitiveness in this key industry."

"Today's announcement demonstrates the potential for the loan guarantee program to drive private investment for large-scale, clean-energy projects and create hundreds of jobs in California," said U.S. Senator Dianne Feinstein. "The loan guarantee for Abengoa Solar will

finance a widely-supported and fully permitted solar plant on private, disturbed lands in San Bernardino County. The loan guarantee to finance NextEra's project in Riverside County will enable construction of a large-scale solar plant in a county devastated by the economic downturn. Together these projects will create more than 1,700 jobs in California. I hope the Energy Department and OMB will finalize these loans as quickly as possible."

The 250MW Mojave Solar Project will be the first U.S. utility-scale deployment of Abengoa's latest Solar Collector Assembly (SCA), a significant improvement over the prior generation of parabolic trough technology installed in the United States in the 1980s and 90s.

The SCA's advanced features include a lighter, stronger frame designed to hold parabolic mirrors that are easier and less expensive to build and install. The Assembly was originally developed in connection with a DOE award provided by the Office of Energy Efficiency and Renewable Energy. The SCA heat collection element uses an advanced receiver tube to increase thermal efficiency by up to thirty percent compared to the nation's first CSP plants. In addition, the advanced mirror technology will improve reflectivity and accuracy. Together, these improvements can permit the collection of the same amount of solar energy from a smaller solar field. Unlike older CSP plants, MSP will operate without fossil fuel back-up systems for generation during low solar resource periods.

The Mojave Solar Project will avoid over 350,000 metric tons of carbon dioxide annually and is anticipated to generate enough electricity to power over 53,000 homes. Power from MSP will be sold to Pacific Gas and Electric Company. An estimated eighty percent of total costs, including both capital equipment and labor, are expected to be sourced in the U.S. as MSP will purchase all of the receiver tubes from a facility in New Mexico, the parabolic trough mirrors from a new facility in Arizona and other key equipment from different suppliers in several states across the country.

The 250MW Genesis Solar Project will feature proven and scalable parabolic trough solar thermal technology that has been used commercially for more than two decades. The project is expected to avoid over 320,000 metric tons of carbon dioxide emissions annually and produce

enough electricity to power over 48,000 homes. Power from the project will be sold to Pacific Gas and Electric Company. The lender-applicant, Credit Suisse AG submitted the application under the Financial Institution Partnership Program (FIPP).

The Department of Energy's Loan Programs Office administers three separate programs: the Title XVII Section 1703 and Section 1705 loan guarantee programs, and the Advanced Technology Vehicle Manufacturing (ATVM) loan program. The loan guarantee programs support the deployment of commercial technologies along with innovative technologies that avoid, reduce, or sequester greenhouse gas emissions, while the ATVM supports the development of advanced vehicle technologies. Under all three programs, DOE has issued loans, loan guarantees or offered conditional commitments for loan guarantees totaling over $32 billion to support 32 clean energy projects across the U.S. The program's 17 generation projects will produce over 27 million megawatt-hours annually, or enough to power over two million homes. To date, the program has committed over $10 billion in loan guarantees to solar generation projects. DOE has also committed financing to support numerous other projects, such as four of the world’s largest solar projects, two geothermal projects, the world’s largest wind farm and the nation’s first new nuclear power plant in three decades. For more information, please visit http://www.lpo.energy.gov.

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